

Shaping the Future of Tomorrow's Networks – with Eddie Edwards and Bruce McClelland

4th April 2019

COMMSCOPE® +



Q: What are the biggest opportunities for global communications?

Eddie:

Well, we're at an unprecedented point in time. The new wired and wireless networks are more complicated than ever. But, we can also finally give people what they want, when they want it, and where they want it.

Bruce:

I agree. I don't think people realize how much networks permeate their lives today. The explosion of the number of devices connected to the network makes the network connection more important than ever.

There are two huge factors here. First, the last connection to the consumer now is almost always wireless. So, the quality of that wireless connection, whether it's in the home or as we're out and about every day, has become crucial. And second, behind every great wireless network is a great wired network.

That convergence is really where the opportunity is. Whether it's a copper, fiber, or coax network, and whether it's licensed or unlicensed spectrum, that convergence is where we live. I agree - it's an unprecedented time.

Eddie:

I definitely think that our company's opportunity is unique. We have the capability to deliver 5G wireless, CBRS (either with Wi-Fi or LTE private networks), and also now 10 Gigabit wired broadband. All of those capabilities are within one company. We are well-prepared. And the time is now.

Q: What's the biggest challenge to making this a reality?

Bruce:

I think the pace with which technology is changing is one of the biggest challenges – and opportunities. It's enabling new capabilities that were never possible, so we need to make sure we're out in front of these technology changes and innovating, bringing new products to market more quickly. And adapting our business models as the technology enables different approaches to delivering services.

I think that's where we really have an opportunity to excel. The talent on both sides is just so complementary around wireless connectivity, networking, infrastructure... The

combined set of products that we can envision together and bring to market is really going to be powerful.

Q: How does the new CommScope address those challenges?

Eddie:

We think we've created something that is really needed in the marketplace, and that is the end-to-end innovator. And we've done it with a scope and scale that will be good for us as well as our customers.

Bruce:

Yes. We both saw the opportunity around convergence and the need for a company that provides an industrial-strength solution. Whether it's a smart city application (where you're trying to provide coverage across a broad neighborhood), public venue opportunities, sporting stadiums, education... they're all very challenging, harsh environments where the quality of that connection is just crucial.

Same for mass deployment of broadband – whether it is to millions and millions of homes or enterprises.

We now have a combined set of solutions and end-to-end capability that is unrivaled in the industry.

Q: What did CommScope see in ARRIS?

Eddie:

Well, we definitely saw the ability to expand our presence in the connected home and Internet of Things – two really large growth areas. ARRIS is one of the inventors of the connected home – they've been thinking about this for more than 20 years.

It also enabled us to immediately increase both our top and bottom lines financially, and we were able to generate a lot more cash than what we were doing as separate companies.

And, we saw it as a way to enhance the future of the company and the goodwill of our people.

Q: ARRIS always has been the one to acquire other companies. What made you say 'yes' to this combination?

Bruce:

As we started talking about the idea of combining the companies, I quickly realized that it was an opportunity to accelerate part of our current strategic path. Diversifying the company, becoming much stronger in enterprise, and then ultimately becoming a much stronger wireless technology company. I think that's why we were both able to move pretty quickly.

And what we've seen over the last several months is the cultural fit that I think is going to be really, really good for both of us.

We couldn't be more excited.

Q: What will be your success proof points in the coming year?

Eddie:

The first 12 months are critical in any integration. We need to make sure that we have minimal disruption to our customers. And we need to enhance our customer experience. It's not just about being bigger; it's about being better.

We also need to make sure that we have the right platform for our employees. We have a unique opportunity here to enhance the capabilities of what they can do and experience.

Bruce:

Yes. Look for the leadership in our core markets to make sure we don't miss a beat. Minimal customer disruption is just fundamental to success.

And then, longer-term, as we put together the people and the technologies, creating a stronger combined roadmap together that will allow us to grow over time.

###